

SENATE BILL 1087

E4, L1

2lr3405
CF HB 1423

By: **Senators Mathias, Colburn, and DeGrange**

Introduced and read first time: March 5, 2012

Assigned to: Rules

Re-referred to: Budget and Taxation, March 9, 2012

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 31, 2012

CHAPTER _____

1 AN ACT concerning

2 **Local Government – Fire, Rescue, and Ambulance Funds – Distribution of**
3 **Money to Volunteer Companies**

4 FOR the purpose of requiring that each county distribute a certain minimum amount
5 of money that the county receives from the Senator William H. Amoss Fire,
6 Rescue, and Ambulance Fund to volunteer fire, rescue, and ambulance
7 companies; requiring the Director of the Maryland Emergency Management
8 Agency to submit an annual report to the General Assembly on the amount of
9 money distributed by each county to volunteer companies; requiring each
10 county to include certain information in a certain report; providing for the
11 application of this Act; and generally relating to the distribution of money from
12 the Senator William H. Amoss Fire, Rescue, and Ambulance Fund.

13 BY repealing and reenacting, without amendments,
14 Article – Public Safety
15 Section 8–102(a), (b), (d), and (f)
16 Annotated Code of Maryland
17 (2011 Replacement Volume)

18 BY repealing and reenacting, with amendments,
19 Article – Public Safety
20 Section 8–103 ~~and 8–104~~, 8–104, and 8–105
21 Annotated Code of Maryland
22 (2011 Replacement Volume)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article – Public Safety**

4 8–102.

5 (a) There is a Senator William H. Amoss Fire, Rescue, and Ambulance Fund.

6 (b) The purposes of the Fund are to promote:

7 (1) the delivery of effective and high quality fire protection, rescue,
8 and ambulance services in the State;

9 (2) increased financial support for fire, rescue, and ambulance
10 companies by counties; and

11 (3) the continued financial viability of volunteer fire, rescue, and
12 ambulance companies given the greatly increased costs of equipment.

13 (d) The Fund consists of:

14 (1) money appropriated in the State budget to the Fund; and

15 (2) revenue distributed to the Fund under § 16–609 of the Business
16 Regulation Article.

17 (f) (1) State money provided under this section may only be used to:

18 (i) acquire or rehabilitate fire or rescue equipment, including
19 ambulances;

20 (ii) acquire or rehabilitate capital equipment used in connection
21 with fire or rescue equipment; and

22 (iii) rehabilitate facilities used primarily to house fire fighting
23 equipment, ambulances, and rescue vehicles.

24 (2) State money provided under this section may not be used:

25 (i) for administrative costs;

26 (ii) for compensation or fringe benefits to employees or members
27 of county governments, or fire, rescue, or ambulance companies;

28 (iii) for travel or meal expenses;

1 (iv) for fuel, utility, or routine maintenance costs of facilities or
2 equipment;

3 (v) to acquire new or replacement fire hydrants, water mains, or
4 emergency alarm systems not installed at a fire, rescue, or ambulance facility;

5 (vi) for insurance;

6 (vii) for fund-raising activities;

7 (viii) to refinance debt or another obligation incurred before July
8 1, 1985;

9 (ix) to replace or repair eligible items to the extent that
10 insurance proceeds are available;

11 (x) for costs associated with the "9-1-1" emergency telephone
12 system; or

13 (xi) for land or interests in land.

14 8-103.

15 (a) Subject to subsection [(b)] (C) of this section, each county shall receive an
16 initial allocation of money based on a percentage to be determined in the following
17 manner:

18 (1) the Director of Assessments and Taxation shall certify to the
19 Director each county's total percentage of land use property tax accounts, including
20 vacant unimproved properties, relative to the statewide total of all land use property
21 tax accounts for the first completed fiscal year immediately preceding the fiscal year
22 for which money is to be allocated;

23 (2) except as provided in item (3) of this subsection, the percentage
24 determined in item (1) of this subsection shall then be applied for each county to any
25 amount included in the State budget for the purposes of this subtitle; and

26 (3) each county shall receive an allocation of at least 2% of the total
27 Fund as appropriated in the State budget, in addition to the amount that is
28 distributed to fire, rescue, and ambulance companies, departments, or stations located
29 in qualified municipal corporations in accordance with subsection [(b)] (C) of this
30 section.

31 **(B) (1) EACH COUNTY SHALL DISTRIBUTE A MINIMUM AMOUNT OF**
32 **MONEY THAT THE COUNTY RECEIVES FROM THE FUND TO VOLUNTEER FIRE,**
33 **RESCUE, AND AMBULANCE COMPANIES.**

1 **(2) THE AMOUNT OF MONEY DISTRIBUTED BY EACH COUNTY**
 2 **UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE EQUAL TO THE TOTAL**
 3 **AMOUNT OF MONEY RECEIVED FROM THE FUND DISTRIBUTED BY EACH COUNTY**
 4 **TO VOLUNTEER FIRE, RESCUE, AND AMBULANCE COMPANIES IN FISCAL YEAR**
 5 **~~2012~~ 2011 OR AT LEAST 51% OF THE ALLOCATION RECEIVED BY EACH COUNTY**
 6 **UNDER SUBSECTION (A) OF THIS SECTION, WHICHEVER IS GREATER.**

7 **(3) SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE,**
 8 **THE DIRECTOR SHALL REPORT BY DECEMBER 31 OF EACH YEAR TO THE**
 9 **GENERAL ASSEMBLY ON THE AMOUNT OF MONEY DISTRIBUTED BY EACH**
 10 **COUNTY UNDER PARAGRAPH (2) OF THIS SUBSECTION TO VOLUNTEER FIRE,**
 11 **RESCUE, AND AMBULANCE COMPANIES.**

12 **(4) THIS SUBSECTION DOES NOT APPLY TO:**

13 **(I) BALTIMORE CITY; OR**

14 **(II) DISTRIBUTIONS MADE TO FIRE, RESCUE, AND**
 15 **AMBULANCE COMPANIES, DEPARTMENTS, OR STATIONS LOCATED IN QUALIFIED**
 16 **MUNICIPAL CORPORATIONS IN ACCORDANCE WITH SUBSECTION (C) OF THIS**
 17 **SECTION.**

18 **[(b)] (C)** (1) Subject to paragraph (6) of this subsection, each county shall
 19 distribute the money provided under this subtitle on the basis of need to fire, rescue,
 20 and ambulance companies, departments, or stations in the county, including
 21 companies, departments, or stations:

22 (i) located in municipal corporations; or

23 (ii) located outside the State if the company, department, or
 24 station:

25 1. has been a member of the Maryland State Firemen's
 26 Association for at least the past 10 years; and

27 2. has a first due response area in the State.

28 (2) Each county shall determine need in accordance with procedures
 29 that the county uses to adopt its budget.

30 (3) In determining need under this subsection, the county shall
 31 consider:

1 (i) the failure to meet minimum standards established by the
2 county or the Maryland State Firemen's Association;

3 (ii) the existence or potential existence of an emergency
4 situation as described in § 8-203 of this title;

5 (iii) the age and condition of existing facilities and equipment;

6 (iv) the lack of availability of mutual aid;

7 (v) any service problems associated with demographic
8 conditions; and

9 (vi) any other relevant factors.

10 (4) In addition to consideration of the factors in paragraph (3) of this
11 subsection, for a volunteer company the county shall consider the company's inability
12 to raise money to pay for the item.

13 (5) Notwithstanding paragraphs (3) and (4) of this subsection, each
14 county shall give the highest funding priority to the failure to meet minimum
15 standards or the existence of an emergency situation as described in § 8-203 of this
16 title.

17 (6) Distribution of money to fire, rescue, and ambulance companies,
18 departments, or stations located in qualified municipal corporations in a county in the
19 aggregate may not be less than 50% of the proportion that the expenditures of the
20 qualified municipal corporation bear to total aggregate expenditures for fire protection
21 in that county.

22 (7) To receive money under this subsection, each county shall
23 participate in the Maryland Fire Incident Reporting System and Ambulance
24 Information System.

25 8-104.

26 (a) (1) (i) The money distributed under this subtitle shall be used by
27 each county for the purposes listed in § 8-102(f)(1) of this subtitle as an addition to
28 and may not be substituted for any money appropriated from sources other than the
29 Fund.

30 (ii) In each fiscal year, each county shall make expenditures for
31 fire protection from sources other than the Fund in an amount that is at least equal to
32 the average amount of the expenditures for fire protection during the 3 preceding
33 fiscal years.

1 (iii) Except as provided in paragraph (2) of this subsection, a
2 county that fails to satisfy the requirements of this subsection may not receive money
3 under this subtitle for that fiscal year.

4 (2) For each fiscal year, each county that fails to satisfy the
5 requirements of paragraph (1) of this subsection may receive money under this
6 subtitle subject to a penalty equal to the percentage by which the county fails to meet
7 the county's maintenance of effort for that fiscal year.

8 (b) (1) Each county shall make expenditures for fire protection from its
9 own sources that are at least equal to the amount of State money to be received.

10 (2) A county may receive less than the amount initially allocated.

11 (3) In determining the amount of expenditures for fire protection made
12 by a county, before certification, the Director shall review the financial information of
13 the county for the first completed fiscal year before the fiscal year for which State
14 money is appropriated.

15 (4) Money received from the Emergency Assistance Trust Fund under
16 § 8–203 of this title or other State money may not be used as the match required under
17 this subsection.

18 (c) (1) Money not distributed to a county because the requirements of
19 subsections (a) and (b) of this section are not satisfied shall be distributed to the
20 counties that meet the requirements of subsections (a) and (b) of this section in
21 accordance with this subsection.

22 (2) (i) Subject to subparagraph (ii) of this paragraph, each county
23 that meets the requirements of subsections (a) and (b) of this section shall receive an
24 allocation of the money distributed under paragraph (1) of this subsection based on a
25 percentage to be determined in accordance with § 8–103(a) of this subtitle.

26 (ii) For purposes of determining the percentage allocated to each
27 county under this subsection, the property tax accounts of each county that fails to
28 satisfy the requirements of subsection (a) or (b) of this section shall be excluded from
29 the statewide total.

30 (3) Each county shall distribute money provided under this subsection
31 in accordance with § [8–103(b)] **8–103(C)** of this subtitle.

32 (d) (1) The money distributed under this subtitle and allocated to a
33 county shall be accounted for and audited in accordance with the procedures for
34 accounting and auditing of other governmental revenues.

35 (2) Money not expended by the county by the end of a fiscal year shall
36 be placed in a special fund for expenditure in the next succeeding fiscal year.

1 (3) (i) Money distributed under this subtitle that remains
2 unencumbered or unexpended by the county after the second fiscal year shall be
3 repaid to the Director for deposit in the General Fund.

4 (ii) The Comptroller may set off any shared revenues due to a
5 county instead of repayment under this subsection.

6 (4) (i) Money distributed under this subtitle to be expended by a
7 volunteer or municipal fire, rescue, or ambulance company shall be maintained in a
8 separate account and shall be audited in the same manner as other money of the
9 volunteer or municipal company is audited.

10 (ii) Copies of the audit of the separate account shall be
11 submitted to the respective county government and to the Maryland Emergency
12 Management Agency.

13 8-105.

14 (a) (1) On or before December 31 of each year, each county shall submit to
15 the Director a report for the preceding fiscal year that states:

16 (i) the amount of money distributed to each recipient and the
17 purpose of expenditure of this money categorized as provided in § 8-102(f)(1) of this
18 subtitle;

19 (ii) the amount and disposition of any unencumbered or
20 unexpended money; [and]

21 (iii) the amount of expenditures for fire protection by the county,
22 INCLUDING THE AMOUNT OF MONEY DISTRIBUTED TO VOLUNTEER FIRE,
23 RESCUE, AND AMBULANCE COMPANIES FROM SOURCES OTHER THAN THE
24 FUND; AND

25 (IV) THE NATURE AND ESTIMATED DOLLAR AMOUNT OF ANY
26 IN-KIND CONTRIBUTIONS MADE BY THE COUNTY TO VOLUNTEER FIRE, RESCUE,
27 AND AMBULANCE COMPANIES.

28 (2) Each county shall provide a copy of the report required under
29 paragraph (1) of this subsection, subject to § 2-1246 of the State Government Article,
30 to the Department of Legislative Services.

31 (b) Each year the Director shall report to the Governor and, subject to §
32 2-1246 of the State Government Article, to the General Assembly on the information
33 provided by the counties on the distribution of money provided under this subtitle.

1 including an assessment of the extent to which the purposes of this subtitle are being
2 achieved.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 July 1, 2012.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.